

CERTIFICATION OF ENROLLMENT
ENGROSSED SECOND SUBSTITUTE SENATE BILL 5557

60th Legislature
2007 Regular Session

Passed by the Senate April 20, 2007
YEAS 47 NAYS 0

President of the Senate

Passed by the House April 20, 2007
YEAS 97 NAYS 1

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE SENATE BILL 5557** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5557

AS AMENDED BY THE HOUSE

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Hargrove, Prentice, Zarelli, Hatfield, Brandland, Brown, Poulsen, Pridemore and McAuliffe)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to public facilities for economic development
2 purposes; amending RCW 82.14.370; and providing an effective date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 82.14.370 and 2004 c 130 s 2 are each amended to read
5 as follows:

6 (1) The legislative authority of a rural county may impose a sales
7 and use tax in accordance with the terms of this chapter. The tax is
8 in addition to other taxes authorized by law and shall be collected
9 from those persons who are taxable by the state under chapters 82.08
10 and 82.12 RCW upon the occurrence of any taxable event within the
11 county. The rate of tax shall not exceed (~~0.08~~) 0.09 percent of the
12 selling price in the case of a sales tax or value of the article used
13 in the case of a use tax, except that for rural counties with
14 population densities between sixty and one hundred persons per square
15 mile, the rate shall not exceed 0.04 percent before January 1, 2000.

16 (2) The tax imposed under subsection (1) of this section shall be
17 deducted from the amount of tax otherwise required to be collected or
18 paid over to the department of revenue under chapter 82.08 or 82.12

1 RCW. The department of revenue shall perform the collection of such
2 taxes on behalf of the county at no cost to the county.

3 (3)(a) Moneys collected under this section shall only be used to
4 finance public facilities serving economic development purposes in
5 rural counties. The public facility must be listed as an item in the
6 officially adopted county overall economic development plan, or the
7 economic development section of the county's comprehensive plan, or the
8 comprehensive plan of a city or town located within the county for
9 those counties planning under RCW 36.70A.040. For those counties that
10 do not have an adopted overall economic development plan and do not
11 plan under the growth management act, the public facility must be
12 listed in the county's capital facilities plan or the capital
13 facilities plan of a city or town located within the county.

14 (b) In implementing this section, the county shall consult with
15 cities, towns, and port districts located within the county and the
16 associate development organization serving the county to ensure that
17 the expenditure meets the goals of chapter 130, Laws of 2004 and the
18 requirements of (a) of this subsection. Each county collecting money
19 under this section shall report, as follows, to the office of the state
20 auditor, (~~(no later than October 1st)~~) within one hundred fifty days
21 after the close of each fiscal year(~~(7)~~): (i) A list of new projects
22 (~~(from)~~) begun during the (~~(prior)~~) fiscal year, showing that the
23 county has used the funds for those projects consistent with the goals
24 of chapter 130, Laws of 2004 and the requirements of (a) of this
25 subsection; and (ii) expenditures during the fiscal year on projects
26 begun in a previous year. Any projects financed prior to June 10,
27 2004, from the proceeds of obligations to which the tax imposed under
28 subsection (1) of this section has been pledged shall not be deemed to
29 be new projects under this subsection. No new projects funded with
30 money collected under this section may be for justice system
31 facilities.

32 (c) For the purposes of this section, (i) "public facilities" means
33 bridges, roads, domestic and industrial water facilities, sanitary
34 sewer facilities, earth stabilization, storm sewer facilities,
35 railroad, electricity, natural gas, buildings, structures,
36 telecommunications infrastructure, transportation infrastructure, or
37 commercial infrastructure, and port facilities in the state of

1 Washington; and (ii) "economic development purposes" means those
2 purposes which facilitate the creation or retention of businesses and
3 jobs in a county.

4 (4) No tax may be collected under this section before July 1, 1998.
5 No tax may be collected under this section by a county more than
6 twenty-five years after the date that a tax is first imposed under this
7 section.

8 (5) For purposes of this section, "rural county" means a county
9 with a population density of less than one hundred persons per square
10 mile or a county smaller than two hundred twenty-five square miles as
11 determined by the office of financial management and published each
12 year by the department for the period July 1st to June 30th.

13 NEW SECTION. **Sec. 2.** This act takes effect August 1, 2007.

--- END ---